



**State of Louisiana**  
Louisiana Department of Health  
Bureau of Health Services Financing

**VIA E-MAIL ONLY**

December 16, 2021

Mr. Jamie Schlottman  
Louisiana Healthcare Connections  
8585 Archives Avenue, 3rd Floor  
Baton Rouge, LA 70809

**RE: Notice of Monetary Penalty – Community Case Management Implementation**

Dear Jamie:

Louisiana Healthcare Connections (LHCC) has an obligation to comply with the terms of the Louisiana Department of Justice Agreement in accordance with its contract with the Louisiana Department of Health (LDH). The contract provides:

6.1.16. The MCO shall comply with the terms of the Louisiana Department of Justice (DOJ) Agreement (Case 3:18-cv-00608, Middle District of Louisiana), subsequent implementation plans, and other activities required in order to implement this agreement in accordance with the DOJ Agreement Compliance Guide or as directed by LDH. LDH reserves the right to assess monetary penalties for failure to meet this requirement.

Page 8 of the Department of Justice (DOJ) Agreement Compliance Guide provides:

4. The MCO shall execute a contract with the LDH-approved community case management agencies by November 12, 2021, with community case management services provided to DOJ Agreement Target Population members beginning January 17, 2022.

5. The MCO shall ensure there is an adequate number of trained community case managers and supervisors employed by each agency to ensure access and face-to-face engagement of the target population to community case managers in accordance with the minimum contact requirements in Section VIII – Part D, the ability to provide same day responses or next business day responses during weekends and holidays by the assigned community case manager, and with no more than a 1:15 ratio of trained community case managers to members in each region.

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The DOJ Agreement Compliance Guide requires LHCC to have contracted with a community case management (CCM) agency by November 12, 2021, to ensure there would not be delays in CCM implementation. As of the date of this Notice, LHCC has not entered into a contract with the CCM agency.

Failure to adhere to the contract requirements cited herein carries a monetary penalty per occurrence per calendar day of non-compliance of \$5,000 as outlined in Section 20.3.3 of the contract between LHCC and LDH. A penalty in the amount of \$165,000 will be retained from the next monthly capitation payment made to LHCC for the failure to meet the November 12, 2021 deadline to execute a contract with a CCM agency. Penalties will continue to accrue per day until LHCC has demonstrated compliance by executing a contract with a CCM agency. Should LHCC, fail to implement CCM services for the DOJ Agreement Target Population members beginning January 17, 2022, additional penalties may be assessed for each occurrence each day of LHCC's non-compliance.

Should you have any questions, please do not hesitate to contact me.

Sincerely,



Michael Boutte

Medicaid Deputy Director

MB/lj

cc: Teresa Bravo  
Patrick Gillies  
Candace Grace  
Robyn McDermott  
Marisa Naquin  
Kim Sullivan  
Christina Wilson  
LHC2-52